

AGREEMENT

This Agreement ("Agreement") is entered into this ____ day of _____ 2001, by and among the City of Lincoln, Nebraska, (the "City"), Lincoln Electric System, an administrative subdivision of the City ("LES"), and Saint Elizabeth Health System ("Contractor"), a Nebraska nonprofit corporation, and its subsidiaries, Saint Elizabeth Regional Medical Center ("Hospital"), Saint Elizabeth Company Care ("Company Care") and Linc Care, a joint venture of Saint Elizabeth Physician Network and Saint Elizabeth Health Services ("Linc Care"), individually, a "Party," and collectively the "Parties." Saint Elizabeth Company Care ("Company Care") is a division of Linc Care.

WHEREAS, the City and LES have approximately 2450 employees (the "City employees") and are self-insured for worker's compensation purposes; and

WHEREAS, the City and LES administer their worker's compensation claims through the Risk Management Division of the City; and

WHEREAS, the City and LES desire to engage Contractor to obtain needed treatment of employee worker's compensation injuries and miscellaneous medical and other services; and

WHEREAS, Contractor and its subsidiary organizations or divisions, Hospital, Company Care, and Linc Care are able to provide the services desired by City.

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged by the Parties, the Parties agree as follows:

1. Term, Termination, and Renewal. This Agreement shall be for an initial term of three (3) years and may be renewed for a total of two (2) additional one (1) year terms with the Parties' mutual consent. Notwithstanding any provision herein to the contrary, either Party may terminate this Agreement at any time without cause upon sixty (60) days' prior written notice to the other Party.
2. Contractor Services. Contractor shall, during the term of this Agreement and as a continuing condition to City's obligations hereunder, provide the following services as requested to the City for the treatment of worker's compensation injuries of City employees and to provide miscellaneous occupational health services to City

employees by appropriately State licensed, certified or credentialed personnel under the medical direction of a physician duly licensed in the State of Nebraska:

- 2.1 Injury Care Clinic services shall be provided on a walk-in basis at the Company Care location without the necessity of prior appointments for on-the-job sprains, strains, eye injuries, minor burns, and lacerations needing stitches. Laboratory and x-ray services are located at the Injury Care Clinic. After-clinic hours care may be referred to Contractor's Linc Care locations or to the Hospital's emergency room as appropriate. A Return to Work form will be completed and promptly transmitted by fax to the City's designated contact to indicate the diagnosis, treatment, any needed medications, home-care instructions, and work restrictions, if any;
 - 2.2 Physical Therapy services and Occupational Therapy services as needed under the direction of a licensed physical therapist and licensed occupational therapist;
 - 2.3 Safety related examinations and training including Respirator Certifications, audiometric testing, lead level testing, carbon monoxide testing and various chemical testing;
 - 2.4 Back safety training;
 - 2.5 Bloodborne pathogen training;
 - 2.6 Workplace job safety analysis;
 - 2.7 Review of workplace ergonomics;
 - 2.8 Employee wellness presentations;
 - 2.9 Fitness for duty examinations, long term disability examinations, and other medical examinations as deemed necessary.
3. Location and Hours for Services. Contractor's services shall be provided at the locations listed in Exhibit "A".

4. Employee Intake Following Injury. Injured employees will initially be referred to Contractor and to the appropriate Contractor location for care by the employee's supervisor through a phone call, use of an authorization form, or by the City's Risk Management representative directly. Although the City will encourage its employees to use Contractor's services for the treatment of work-related injuries, employees are permitted by Nebraska law to choose their own health care provider for such injuries. No treatment shall be initiated by Contractor without an order from the treating physician.
5. Non-work-related Injuries. Contractor agrees to promptly report to the Risk Management Division all instances in which the injury presented by an employee appears to not be work-related. The Risk Management Division shall be responsible for investigating the matter and issuing a notification of noncoverage to Contractor if appropriate. Contractor shall continue to provide appropriate care to the employee at the City's expense until the notice of noncoverage is received. Following notice of noncoverage, the employee will be given the option of continuing to receive care from Contractor at employee's expense or under the employee's health insurance as applicable.
6. Reports to City. Following examination and/or treatment of employees referred to Contractor hereunder, Contractor agrees to prepare and promptly transmit to City's Risk Management Division by fax and U.S. Mail reports concerning the examination, treatment, or care of such employees using Contractor's standard report formats and forms. To the extent any additional documentation or reports other than Contractor's standard report formats and forms are required by the City, the additional documentation or reports shall be subject to added charges as set forth in Exhibit "B".
7. Treatment Preapprovals. Any questions regarding an injury, a procedure, requests for preapprovals for further treatment, or follow-up by a specialist shall be directed to the Risk Management Division. Every possible effort will be made by Contractor to consult with the Risk Management Division before further treatment and follow-up care by a specialist is started. However, the Parties agree that urgent or emergency care may begin without the Risk Management Division's prior approval where the life or health of the employee is at risk if treatment is not commenced immediately.

8. Indemnification and Hold Harmless. Contractor agrees to protect, defend, indemnify and hold harmless the City of Lincoln and LES, their agents, directors, officers, employees, volunteers, and elected officials and to hold them free and harmless against any and all causes of action of every kind and character, claims, liability, expenses, losses, costs, including reasonable attorneys' fees, fines, and damages, arising directly or indirectly, or out of an actual or alleged injury to a person or to property as a result of the negligent or intentional act or omission of Contractor, its subsidiaries, and Contractor and its subsidiaries' respective employees, volunteers, or agents providing the services hereunder, in connection with Contractor's obligations under this Agreement, except to the extent any such loss, damage, costs, and expenses were caused by the negligent or intentional act or omission of the City, its elected officials or of LES, or the City's or LES's respective officers, employees, volunteers, or agents.

The City, for itself and for LES, agrees to protect, defend, indemnify and hold harmless Contractor, its subsidiaries, Contractor and its subsidiaries' respective agents, directors, officers, employees, and volunteers and to hold them free and harmless against any and all causes of action of every kind and character, claims, liability, expenses, losses, costs, including reasonable attorneys' fees, fines, and damages, arising directly or indirectly, or out of an actual or alleged injury to a person or to property as a result of the negligent or intentional act or omission of the City, of LES, the City's elected officials, or any of the City's or LES's directors, officers, employees, volunteers, or agents except to the extent any such loss, damage, costs, and expenses were caused by the negligent or intentional act or omission of the Contractor, its subsidiaries, or their respective directors, officers, employees, volunteers, and agents.

9. Required Insurance Coverages and Certificates of Coverage. Contractor agrees at minimum to maintain during the term hereof and to provide to City proof of the following insurance coverages: (a) worker's compensation coverage pursuant to statutory limits, with employer's liability coverage of \$500,000, and (b) comprehensive general liability and medical malpractice coverage with limits of \$1,000,000, combined single limit with applicable property insurance in effect. Contractor agrees to have listed as additional insureds the City and LES for all of the foregoing insurance coverages with the exception of the Medical Malpractice coverage.

10. Charges for Services and Payment. Unless amended as provided herein, Contractor's services shall be provided according to the fee schedule set forth in Exhibit "B". Contractor shall bill the City for its services provided hereunder on an occurrence basis unless otherwise agreed in writing by the Parties using the Standard Health Insurance Claim Form (HCFA 1500, UB92, or other agreed upon form depending upon the type of service). Charges incurred in the Hospital's Emergency Department will be billed by the Hospital separately according to the Hospital's charge schedule. Payment is to be received within thirty (30) days of receipt of a clean claim. Failure to make payment within this time period will cause the discount to be forfeited.
11. Notices. Any notice, demand, or communication required or desired to be given shall be deemed effectively given when personally delivered, faxed, or mailed by prepaid, registered, or certified mail, return receipt requested, addressed to the Parties at the addresses stated below their respective representative's signature, and to the attention of such other person(s) or officer(s) either Party may designate by written notice given as stated in this section. Notices delivered personally shall be deemed received upon actual receipt, mailed notices shall be deemed received two (2) days after mailing.
12. Independent Contractors. The Parties intend that Contractor, its subsidiaries, and the City are independent contractors of each other. Both Parties understand that the City does not agree to use the services of the Contractor exclusively, nor does the City guarantee any amount of work.
13. Medical Information Confidentiality and HIPAA Compliance. Medical records for services provided hereunder shall be maintained consistent with all applicable laws governing their confidentiality. Access to such records shall be subject to the individual patient's consent or the Nebraska Worker's Compensation Act as applicable. Notwithstanding any other provision of this Agreement to the contrary, the Parties agree that the services to be provided hereunder shall comply with all applicable rules, regulations, and accreditation standards or requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), including the requirements set forth in 45 CFR § 164.504(e)(1) and (e)(2) as published in 65 Fed.

Reg 82808 (Dec. 28, 2000) and as amended from time to time to the extent they may apply to the Parties hereto.


14. Entire Agreement. This Agreement including all exhibits hereto between the Parties is their entire agreement concerning the subject matter hereof and supersedes all other prior agreements or understandings between the Parties concerning its subject matter. This Agreement shall not be amended except upon the express written agreement of the Parties.
15. Assignment. This Agreement shall not be assigned, transferred, or delegated by Contractor except to its subsidiary organizations for purposes of carrying out Contractor's obligation's herein.
16. Third-Party Beneficiaries. Except as otherwise provided herein, it is the mutual intention of the parties that this Agreement is a personal agreement for their exclusive benefit, does not confer any rights upon any person not a party to this Agreement, and no individual or entity shall be construed or considered to be a third-party beneficiary of this Agreement.
17. Severability. If any portion of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, unless to do so would substantially destroy the fundamental purposes of this Agreement, except as otherwise provided herein.
18. Waiver. Any waiver by one Party of a breach of any provision of this Agreement by the other shall not operate as, or be construed as, a waiver of any subsequent breach thereof, and the obligations of such Party with respect thereto shall continue in full force and effect.
19. Governing Laws. This Agreement shall be interpreted, construed and governed according to the laws of the State of Nebraska.
20. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe any provision hereunder.
21. Counterparts. This Agreement may be executed in two or more counterparts, all of which shall, in the aggregate, be considered one and the same instrument.

22. Authority. Any entity signing this Agreement on behalf of any other entity hereby represents and warrants in its individual capacity that it has full authority to do so on behalf of the other entity. Any individual signing this Agreement on behalf of an entity or entities hereby represents and warrants in his individual capacity that he has full authority to do so on behalf of each such entity.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first written above.

CONTRACTOR

SAINT ELIZABETH HEALTH
SYSTEM, SAINT ELIZABETH
REGIONAL MEDICAL CENTER,
SAINT ELIZABETH COMPANY CARE,
LINC CARE, A JOINT VENTURE OF
SAINT ELIZABETH PHYSICIAN
NETWORK, AND SAINT ELIZABETH
HEALTH SERVICES

By: 
Robert J. Lanik, President,
Saint Elizabeth Health System

Address: 555 South 70th Street
Lincoln, NE 68510

CITY OF LINCOLN, NEBRASKA and
CITY OF LINCOLN, DBA LINCOLN
ELECTRIC SYSTEM

By: _____
Don Wesely, Mayor

Address: County-City Building
555 South 10th Street
Lincoln, NE 68508

Approved as to form this
20th day of March, 2001.

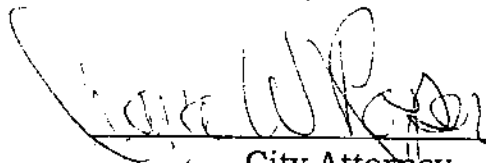

City Attorney

EXHIBIT "A"

Location and Hours for Services

Saint Elizabeth Company Care

1000 West "O" Street

Lincoln, NE 68528

Hours:

Mon. – Fri. – 7 a.m. to 5 p.m.

Phone: 475-6656

Fax: 475-6682

Saint Elizabeth PT/OT West

1000 West "O" Street

Lincoln, NE 68528

Hours:

Mon. – Fri. – 7 a.m. to 6 p.m.

Phone: 475-6656

Fax: 475-6682

Saint Elizabeth Physical Therapy

Building B

11041 North 137th Street

Waverly, NE 68462

Hours:

Monday, Wednesday and Friday –

9 a.m. to 6 p.m.

Phone: (402) 440-5124

Fax: (402) 786-2399

Linc Care – North

2662 Cornhusker Highway

Lincoln, NE 68521

Hours:

Mon. – Sat. – 9 a.m. to 10 p.m.

Sun. – 12 p.m. to 10 p.m.

Phone: 466-6389

Fax: 466-9643

Linc Care – South

3910 Village Drive
Lincoln, NE 68516

Hours:

Mon. – Sat. – 9 a.m. to 10 p.m.

Sun. – 12 p.m. to 10 p.m.

Phone: 434-7383

Fax: 434-7382

Saint Elizabeth Regional Medical Ctr

555 South 70th Street
Lincoln, NE 68510

Hours:

24 hours per day/7 days a week

Phone: 489-7181

Fax: 486-8973

Saint Elizabeth Emergency Dept.

555 South 70th Street
Lincoln, NE 68510

Hours:

24 hours per day/7 days a week

Phone: 486-7142

Fax: 486-8961

Saint Elizabeth Physical &
Occupational Therapy Departments

555 South 70th Street
Lincoln, NE 68510

Hours:

Mon. – Thurs. – 7 a.m. to 6 p.m.

Fri. – 7 a.m. to 5 p.m.

Phone: 486-7498

Fax: 486-7327

EXHIBIT "B"

Fees for Services

1. Injury Care Clinic Company Care/Linc Care	Current charges or a 5% discount off of worker's compensation fee schedule whichever is lower as required by law. <u>(Physical Therapy and Occupational Therapy services provided at the Company Care site only will be discounted 5% from the workers compensation fee schedule)</u>
2. Hospital Emergency Department Services/Hospital Outpatient Services	Worker's Compensation fee schedule current at the time of service.
3. Inpatient Hospital Services	Less 20% discount from Hospital's ordinary billed charges.
4. Occupational Health Services (Non-Worker's Compensation covered services)	If utilization of Occupational Health Services meets or exceeds \$120,000 in a given calendar year, a 5% discount will apply to all subsequent Occupational Health Services charges for that year. The threshold shall be applied on a calendar year basis.